



**OVERSIGHT OF UNIVERSITY  
PROCUREMENT CARD PROGRAMS**

**From The Office Of State Auditor  
Claire McCaskill**

**Report No. 2004-87  
November 19, 2004  
[www.auditor.mo.gov](http://www.auditor.mo.gov)**

**PERFORMANCE AUDIT**



Office Of The  
State Auditor Of Missouri  
Claire McCaskill

November 2004

**Improvements needed in oversight of university procurement card programs; management and oversight has not been consistent**

Government and private organizations have implemented procurement card programs to reduce administrative costs and provide a more convenient and efficient procurement method than a purchase order system. Of the state's 10 four-year colleges and universities seven have implemented procurement card programs. We selected the three universities accounting for 98 percent of the total purchases and 95 percent of the cards issued for 2003 – the University of Missouri System, Truman State University and Central Missouri State University (CMSU).

We did not perform a detailed review of the University of Missouri System procurement card program because the university had adequate internal and external reviews of the program. Truman State University had limited its potential for procurement card abuse by only issuing 46 procurement cards and re-evaluating the need for each card every six months, and in October 2003 implemented an internal audit function which reviews the procurement card program on a semiannual basis.

**CMSU had a significant number of unauthorized purchases**

CMSU staff used procurement cards to purchase fast food, gasoline, computer equipment, leases/rentals, and personal purchases totaling approximately \$43,000 between January 1, 2003 and March 31, 2004. The CMSU procurement cardholder agreement and manual specifically list these items as unauthorized purchases. (See page 6)

**Purchase documentation, review, and approval process not always adequate**

Our office found 59 of 252 samples purchases, totaling \$46,066, had been approved by budget directors without itemized receipts as required in the university's procurement cardholder manual. Further review disclosed 26 of the 59 purchases, totaling \$17,000 had not been recorded in a "transaction log" which should be used to record cardholder purchases, as required in the university's procurement cardholder manual. In addition, budget directors were approving their own purchase, totaling approximately \$28,000, during our review period, because CMSU had not delegated anyone above the budget directors to review and approve their purchases. We also identified 8 instances where cardholders exceeded single transaction limits by splitting purchases to the same merchants, on the same date. The budget directors, who approved these purchases, told us they did not think making several purchases to the same vendor on the same day by the same cardholder would be inappropriate or an attempt to circumvent proper procurement procedures. (See page 7)

YELLOW SHEET

### **CMSU lacked standard procedures and training forums were poorly attended**

The university did not establish standard procedures each department must follow in reviewing and approving procurement card purchases. CMSU's accounting department has conducted forums to discuss inadequacies in documentation and improper practices. However, attendance at the forums was not mandatory because the director said he did not believe he had the authority to make them mandatory. Additionally, CMSU did not ensure procurement card accounts were promptly closed for terminated employees. (See page 8)

### **CMSU cardholder use has not been analyzed**

As of March 2004, we found 90 of the 373 individual or departmental procurement card accounts CMSU had issued, had not been used during the 15-month review period. An additional 13 accounts had been used only once during our audit period. Sound business practices dictate university personnel review procurement card usage to evaluate each employee's continued need for a card. (See page 9)

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### Abbreviations

CMSU	Central Missouri State University
SAO	State Auditor's Office



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

Honorable Bob Holden, Governor  
and  
Quentin Wilson, Commissioner  
Department of Higher Education  
and  
Dr. Elson S. Floyd, President  
University of Missouri System  
and  
Dr. Bobby R. Patton, President  
Central Missouri State University  
and  
Dr. Barbara Dixon, President  
Truman State University

Seven of Missouri's 10 four-year colleges and universities spent nearly \$84 million in procurement card purchases during calendar year 2003. We reviewed the three state universities accounting for almost all of the purchases—University of Missouri System (all four campuses), Central Missouri State University (CMSU), and Truman State University. The objectives of this audit were to determine whether these universities have effective management and oversight of the procurement card program.

We found Truman State University and the University of Missouri System had adequate program oversight. However, improvements are needed in the management and oversight of the program at CMSU because university officials approved procurement card billings for payment for (1) unauthorized purchases, (2) purchases not supported by required documentation and/or proper approval, and (3) purchases exceeding cardholder purchase limits. In addition, university officials had not ensured cardholder accounts had been promptly closed or analyzed procurement card usage.

We have included recommendations to improve the CMSU procurement card program.

We conducted our work in accordance with applicable standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and included such tests of the procedures and records as were considered appropriate under the circumstances.

A handwritten signature in black ink that reads "Claire McCaskill". The signature is written in a cursive, flowing style.

Claire McCaskill  
State Auditor

The following staff contributed to this report:

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Audit Manager:	John Mollet, CISA
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## **Improvements Needed In Oversight of CMSU Procurement Card Program**

Management and oversight of procurement card programs at the states four-year colleges and universities has not been consistent. Truman State University and the University of Missouri System had adequate oversight procedures; however, Central Missouri State University (CMSU) did not. CMSU officials approved purchase card billings for payment for (1) unauthorized purchases of food, gasoline and other items, (2) purchases not supported with required documentation or properly approved, and (3) purchases exceeding cardholder purchase limits. This situation occurred because university officials had not enforced current procedures, established standardized procedures for departments to follow in approving procurement card purchases, and required university personnel to attend training forums. In addition, the university had not ensured cardholder accounts were promptly closed or analyzed procurement card usage which left unneeded accounts open exposing the university to unnecessary risk.

### **Background**

Government and private organizations have implemented procurement card programs to reduce administrative costs of processing small dollar purchases (\$1,000 or less), and to provide a more convenient and efficient procurement method than a purchase order system. Under a typical purchase order system, an employee obtained supervisory approval, prepared a purchase order and took the order to a local merchant to obtain the goods. The merchant would then bill the employee's organization for the purchase and the organization would pay the merchant during the next payment cycle. Under a procurement card program, employees can take their card directly to a merchant (with or without prior supervisory approval) and procure the needed goods. The merchant electronically bills the procurement card carrier, such as a bank, for payment, and the carrier sends the organization a single statement for all procurement charges during a one-month period. Accordingly, the organization only has to process one payment to the carrier rather than processing hundreds of payments to individual merchants.

Contracted procurement card carriers have the capabilities to place maximum purchase limits on purchases, and restrict questionable vendors and types of items allowed for purchase. Organizations normally have standard policies, procedures, and internal controls that are designed to reduce the risk of fraudulent, improper, and abusive procurement card practices, regardless of the centralized or de-centralized structure of the program. Organizations also develop a procurement card policy and cardholder agreement that reflects specific procurement regulations and policy which may include (1) maximum purchase limits set lower than bidding and other procurement procedural required levels, (2) monthly credit limits that reflect the purchasing authority of the cardholder, (3) a specific listing of types of unauthorized purchases, (4) standards of supporting documentation to be submitted, (5) pre-approval documentation requirements if necessary, and (6) billing statement reconciliation procedures and approval by a supervisor. Delegated or centralized approving authorities are normally trained and knowledgeable of the procurement card program's requirements and the standard reconciliation procedures.

Table 1 shows the state's seven four-year colleges or universities<sup>1</sup> having procurement card programs, procurement card purchases, and the number of procurement cardholders for calendar year 2003.

**Table 1: Procurement Card Program Use By University for 2003**

<b>State University</b>	<b>Number of Cardholders</b>	<b>Total Spending</b>	<b>Average Monthly Charges per Cardholder</b>
University of Missouri System <sup>1</sup>	5,133	\$ 80,499,005	\$ 1,307
Truman State University	46	1,139,503	2,064
Central Missouri State University	334	859,606	215
Missouri Western State College	140	638,000	380
Missouri Southern State University	77	367,962	398
Northwest Missouri State University	76	367,838	403
Southwest Missouri State University	5	67,699	1,128
<b>Total</b>	<b>5,811</b>	<b>\$ 83,939,613</b>	<b>\$1,204</b>

<sup>1</sup>University of Missouri System includes four campuses at Columbia, Kansas City, Rolla, and St. Louis.  
Source: Colleges and universities and SAO analysis.

## Scope and Methodology

To determine which universities had procurement card programs and the size of the programs for 2003, we contacted the state's 10 four-year colleges and universities. Information provided by these institutions showed seven had implemented procurement card programs. We selected for testing the three universities accounting for 98 percent of the total purchases and 95 percent of the cards issued for 2003—the University of Missouri System, Truman State University, and CMSU.

We did not perform a detailed review of the University of Missouri System procurement card program because the university had adequate internal and external reviews of the program. Based on our review of the internal and external auditors' objectives, scope, and methodology, and the university's actions to implement auditors' recommendations to correct control weaknesses, we concluded we could rely on the auditors' work to accomplish our objectives.

Truman State University and CMSU were participating in the state contract with United Missouri Bank as the procurement card carrier.<sup>2</sup> To review procurement card programs at these institutions, we obtained detailed purchase data for a 15-month period—January 1, 2003 through March 31, 2004—for each of the institutions. This data showed procurement activity by department, each cardholder account, date of transaction (purchased date), merchant, merchant type and location, and amount of purchase. We performed preliminary analyses to determine (1) the number and dollar value of purchases for each procurement cardholder, (2) volume of sales by merchant types and locations, such as fast food restaurants, (3) cardholders circumventing

<sup>1</sup> The state's other four-year colleges and universities (Harris-Stowe State College, Lincoln University, Southeast Missouri State University) had not implemented procurement card programs.

<sup>2</sup> Truman State University and CMSU began their procurement card program in November 1999 and February 2002, respectively.

their purchase limits by splitting purchases to the same merchant on the same day, and (4) cardholders who had not used their cards or only used them once during our 15-month review period.

To conduct a detailed review of cardholder use and determine if cardholders followed prescribed procedures and policies, we selected statistical samples of transactions for each university based on the total number of purchases and the percentage of dollar values represented from (1) below \$100, (2) \$100 to \$499, (3) \$500 to \$999, and (4) \$1,000 and over which resulted in a minimum number of purchases of 137 for CMSU and 136 for Truman State University. In addition, we judgmentally selected additional purchases for testing based on the purchases exceeding \$1,000 and multiple purchases made by the same cardholders, on the same dates, to the same merchants. Purchases selected for testing totaled 343<sup>3</sup> for CMSU and 302 for Truman State University.

We obtained and reviewed statements, purchase logs, and all supporting documentation such as receipts for each selected purchase to evaluate whether (1) the purchase fell within prescribed guidelines (within the cardholder's purchase limit), (2) two or more purchases had been made to the same vendor on the same day, by one cardholder, when combining that purchase would cause them to exceed their purchase limit (splitting purchases to circumvent card limits), (3) the item(s) purchased had been authorized according to the cardholder agreement, (4) the university had the purchasing cardholder's agreement and training documentation on file, (5) the original documentation (receipt, approval, etc.) had been retained, (6) the purchase had been recorded in the purchase log, and (7) the purchase had been made in the state.

We reviewed CMSU's and Truman State University's procurement card policy manuals and guidelines. We conducted interviews with the procurement card officials at both universities to determine procurement card documentation procedures and controls.

We obtained comments on a draft of this report in letters from the universities, and incorporated their comments as appropriate. We performed our work between April and August 2004.

### **Truman State University and the University of Missouri System had implemented effective controls to limit abuse in the procurement card program**

Truman State University had limited its potential for procurement card abuse by only issuing 46 procurement cards and re-evaluating the need for each card every six months. In October 2003, the university also implemented an internal audit function which reviews the procurement card program on a semiannual basis. Our review of the university's procurement card program did not identify any problems related to unauthorized purchases or lack of supporting documentation, but did identify examples of employees exceeding their purchase limits by splitting purchases. An internal audit conducted in April 2004 also identified problems with split purchases. According to Truman State purchasing office manager, the university has taken actions to correct this problem.

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<sup>3</sup> CMSU officials could not locate statements and documentation for procurement card purchases made in January, February, March, and May of 2003. As a result, 91 of the 343 sample purchases could not be reviewed, which left 252 purchases for testing.

The University of Missouri System's independent external auditor performed several audits of its procurement card program from December 2001 to January 2004. In addition, internal auditors at each of the university system's four campuses performed periodic audits of the procurement card program. We reviewed nine external audit reports and one internal audit report. We also obtained and reviewed six status reports the university system prepared showing actions taken to implement the external auditor's recommendations. Review of the auditors' reports showed some problems with the university system issuing too many cards, having some cards with excessive credit limits and a few employees splitting purchases to circumvent credit limits. Discussions with university officials and review of the status reports showed the university took steps to correct these problems.

### **CMSU lacked adequate program controls and oversight**

CMSU officials approved (1) procurement card payments for unauthorized purchases; (2) purchases without supporting documentation and/or proper approval; and (3) purchases that exceeded cardholder purchase limits. Officials had not enforced existing university guidance and had not standardized department procedures. In addition, officials did not ensure procurement card accounts were promptly closed for terminated employees and the university has incurred a potential annual liability of approximately \$5 million because numerous procurement cards had been issued that had not been used.

### CMSU had a significant number of unauthorized purchases

CMSU procurement cardholders purchased food, gasoline, computer equipment, leases/rentals, and personal purchases totaling about \$43,000 during the 15-month period that were not authorized by CMSU's travel and procurement card policies.

CMSU staff used procurement cards to make 119 purchases totaling \$6,976 at fast food and restaurant facilities located in Warrensburg, where the university campus is located. A university official said the university's travel policy authorizes staff to use procurement cards to make food purchases. However, the university's travel policy states reimbursable travel expenses are those expenses authorized and incurred while transacting official business away from the campus site (Warrensburg), and CMSU's procurement cardholder agreement prohibits the purchase of food except for business travel.

CMSU procurement cardholders also made at least 77 purchases totaling \$1,332 for gasoline services,<sup>4</sup> and used procurement cards in 104 instances to pay for rental cars, which cost \$25,265. We also identified 15 unauthorized purchases, totaling \$8,709, from the 252 sampled transactions, which included items such as computer hardware and software, and office furniture. The CMSU procurement cardholder agreement and manual specifically list gasoline, rentals/leases, furniture, and computer equipment (including software) as unauthorized purchases, and is available on-line at the university. CMSU budget directors,<sup>5</sup> responsible for

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<sup>4</sup> The 77 purchases were for automated fuel dispense sales. For other transactions from facilities classified as service stations, we could not readily determine if fuel or other items were purchased.

<sup>5</sup> We contacted nine budget directors regarding questionable purchases in nine departments.

reviewing and approving these purchases, stated they were unaware these purchases were considered unauthorized purchases.

In another example involving an unauthorized purchase, a CMSU staff charged \$578 in spousal, or personal travel expenses prohibited by the cardholder agreement. The unauthorized spousal expenses included additional lodging and meal charges. The budget manager approving the purchase said the employee did not seek reimbursement for additional authorized costs such as airfare, parking, and certain hotel charges and meals because they approximated the amount of unauthorized expenses charged to the card. As such, the budget manager opined no action needed to be taken against the employee to reimburse the university for the spouse's charges on the procurement card.

#### Purchase documentation, review, and approval process not always adequate

We found 59 of 252 sampled purchases, totaling \$46,044, had been approved by budget directors without requiring itemized receipts to show what items were purchased. The university's procurement cardholder manual requires cardholders to turn in an original itemized receipt with their procurement card statement. The manual also states "if a charge slip is missing, the cardholder should be immediately contacted to see if one has been received. If not, the vendor should be called and asked to provide a detailed invoice or an adequate substitute". A budget director said itemized and/or original receipts were not always available and cited examples where purchases have been made for on-line registrations and purchases at some restaurants. After discussing this issue with auditors, the budget director agreed on-line purchases could be documented by printing a confirmation page or email confirming the reservation for a conference. Two budget directors told us they were not aware they should review cardholders' statements to ensure the cardholders submitted itemized receipts, and believed it had been sufficient to have a receipt only showing the amount of purchase.

Further review disclosed 26 of the 59 purchases, totaling \$17,000, had not been recorded in a "transaction log" which should be used to record cardholder purchases. The university's procurement cardholder manual requires personnel to record purchases in the transaction log and use the log to reconcile statements. The approval authority (i.e., budget directors) is required to approve payments by signing off on the log. Budget directors and the university's Director of Accounting told us they believed this procedure was only suggested by the procurement card manual, and was not a mandatory procedure.

Test results also disclosed 7 purchases totaling \$12,000 had been paid without the review and approval by a budget director. In addition, budget directors were approving their own purchases<sup>6</sup> because CMSU had not delegated anyone above the budget directors to review and approve their purchases. They approved 147 purchases they had made, totaling approximately \$28,000, during the 15-month review period. All card transactions need approval from someone independent of the person making the purchase.

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<sup>6</sup> All six of the nine budget directors we contacted who had procurement card accounts were doing this.

### Cardholders exceeded card limits by splitting purchases

We identified 8 instances from 252 sampled purchases where cardholders exceeded single transaction limits by splitting purchases to the same merchants, on the same date. Five instances involved the same cardholder, whose single transaction limit was \$1,000, but by splitting purchases to the same merchant, on the same day, succeeded in exceeding purchase limits by up to approximately \$800. Another cardholder, with a \$3,000 single transaction limit, split a consulting fee charge for \$3,600 into two separate purchases of \$1,800 in order to exceed the single transaction limit. The budget directors, who approved these purchases, told us they did not understand the concept of splitting purchases. They said they understood the purchase limit only to be per purchase and did not think making several purchases to the same vendor on the same day by the same cardholder would be inappropriate or an attempt to circumvent proper procurement procedures.

### CMSU lacked standard procedures and training forums poorly attended

CMSU officials delegated the procurement card program review and approval authority to departmental budget directors, and some directors have delegated approval authority to their respective budget managers. However, the university did not establish standard procedures each department must follow in reviewing and approving procurement card purchases.

CMSU's accounting department has conducted forums to discuss inadequacies in documentation and improper practices. However, attendance at the forums was not mandatory because the department director said he did not believe he had the authority to make them mandatory. Two budget directors told us they attended while the other seven budget directors told us they had been unable to attend because of scheduling conflicts.

### CMSU did not ensure procurement card accounts were promptly closed for terminated employees

Three cardholders shown on the university's cardholder list at March 2004 could not be matched to the university's employee list. University officials confirmed the three cardholders were no longer employed by the university, but stated the accounts had been closed. One of the three employees should have reported for work on August 20, 2003, but did not. We confirmed, through the procurement card carrier, the account for this employee had not been closed, as of September 1, 2004. No charges were made on the account during our review period; however the open account could have been used and presented a potential liability. A second employee had been terminated on August 31, 2003, and the university did not close the account until June 10, 2004; after we had inquired on the employment status of the cardholder. The third employee had been terminated on April 4, 2003 and CMSU did not close the account until May 17, 2004. The procurement card coordinator had responsibility for closing the accounts once notified of a termination by the department budget director. The coordinator told us procurement cards had been turned in along with all other university property at the time of termination. However, she failed to have these accounts closed timely.

## Cardholder use has not been analyzed leaving the university with unnecessary liability

As of March 2004, CMSU had issued 373 individual or departmental procurement card accounts representing a potential monthly liability of \$1.2 million, or \$14.9 million per year. We found 90 cardholder accounts had not been used during the 15-month review period representing nearly one-third of this annual potential liability. An additional 13 accounts, with combined annual potential liability of approximately \$340,000, had been used once during our audit period. The Director of Accounting Services told us he had been more concerned about the improper use of the university's procurement cards, and therefore had not performed any analysis to identify under used cards. We believe sound business practices dictate university personnel review procurement card usage to evaluate each employee's continued need for a card.

### **Conclusions**

A procurement card program offers the opportunity for increased efficiencies and enhanced control features for procurement at state universities. However, CMSU's oversight of cardholder purchases had not been adequate. Budget directors had not enforced university procurement card guidelines, allowed cardholders to make food, gas, and other purchases clearly prohibited by university guidance, and not always required cardholders to submit documentation in support of purchases. In addition, seven purchases tested were paid without review and approval, and budget directors approved their own purchases for payment. Cardholders had split purchases in order to avoid exceeding cardholder purchase limits and budget directors responsible for approving these purchases were not aware it had occurred. The university did not establish standard procedures for each department to follow in reviewing and approving procurement card purchases or ensure budget directors attended training forums when program weaknesses were identified. Lax oversight and the lack of standardized review procedures increase the risk cardholders will misuse cards.

Officials also have not always ensured cardholder accounts have been closed timely once an employee left employment or analyzed the extent of cardholder usage. These problems leave unneeded accounts open increasing the university's liability risk.

### **Recommendations**

We recommend the president, Central Missouri State University:

- 1.1 Ensure cardholders are trained on proper procurement card use under university policies.
- 1.2 Require budget directors submit their procurement card statements to a higher authority or independent department for review and approval.
- 1.3 Establish standard procedures for departments to follow in approving procurement card purchases and require budget directors attend training forums on weaknesses identified in the program.

- 1.4 Establish procedures that ensure cardholder accounts are closed timely once an employee has left employment.
- 1.5 Establish procedures to evaluate employee's continued need for cards by analyzing card usage on a periodic basis.
- 1.6 Establish procedures to periodically review and report on compliance with procurement card procedures, including the appropriate university official responsible for taking corrective action.

### **Agency Comments**

The President, CMSU, provided us the following comments in a letter dated October 6, 2004:

- 1.1 *Central Missouri agrees with the recommendation. Since the inception of the program in April 2002, all employees have been required to attend a mandatory training session prior to being issued a procurement card. These training sessions include, but are not limited to, information regarding cardholder recordkeeping and documentation responsibilities, reconciliation and approval processes, and resources available such as the Transaction Summary Log and monthly Check List to ensure complete and adequate documentation is submitted to Accounts Payable prior to payment.*

*During the mandatory training sessions, potential cardholders are also presented a Business Procurement Cardholder Agreement that delineates responsibilities and/or restrictions for use of the procurement card. The agreement clearly states only persons who have signed for and accepted such responsibilities will be issued a procurement card.*

*All of the materials referenced above (and other points of interest regarding the University's procurement card program) are available on the Accounts Payable Web site, [www.cmsu.edu/payable](http://www.cmsu.edu/payable), for continual guidance and review. The University anticipates that additional mandatory training sessions will be provided to cardholders and budget managers to foster an understanding of the procurement card procedures.*

*Central Missouri will review the university travel and fiscal guidelines for consistency with the procurement card procedures and make changes as necessary.*

- 1.2 *Central Missouri agrees with the recommendation. The University's training and forms will be revised to emphasize the importance of supervisory approval.*
- 1.3 *Central Missouri agrees with the recommendation. The University has recently established a "listserv" to communicate with cardholders and other interested personnel regarding training forums and areas for improvement with the program. This communication will allow cardholders to be immediately notified of issues found during the review of procurement card purchases.*

*Standard procedures are in place and will be revised to strengthen the procurement card purchasing process. As noted earlier, the university will offer required training forums as weaknesses are identified.*

- 1.4 Central Missouri agrees with the recommendation. The University will implement improved coordination and monitoring between the Human Resources, Payroll and Accounting Services offices to ensure accounts are closed in a timely manner.*
- 1.5 Central Missouri agrees with the recommendation. The University will evaluate procurement card accounts every six months. Those employees who have not used, or had limited use of, the card will be required to provide justification for keeping the card open.*
- 1.6 Central Missouri agrees with the recommendation. The University is currently in the process of hiring an Internal Auditor. This person will report directly to the President. The procurement card program will continue to be monitored for improvement, and it is anticipated any weaknesses or other findings noted by Accounts Payable will be reported to the Internal Auditor for resolution with the President and/or Board of Governors as deemed appropriate.*

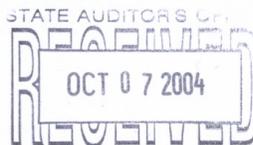
The President, University of Missouri System, provided the following comments in a letter dated September 30, 2004:

*We concur with the findings that the University of Missouri has adequate management and oversight procedures for its procurement card program. As the report indicates, through the University of Missouri's internal audit program, we monitor our procurement card program on an on-going basis in order to mitigate the risks and maximize the benefits associated with such a program.*

The President, Truman State University, provided the following comments in a letter dated September 30, 2004:

*Truman State University will continue with our management and oversight procedures for our procurement card program.*

## Letter from CMSU



Office of the President  
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October 6, 2004

Claire C. McCaskill  
Missouri State Auditor  
224 State Capitol  
Jefferson City, MO 65101

Dear State Auditor McCaskill:

On behalf of Central Missouri State University, I am responding in regard to the draft report of the *Oversight of University Procurement Card Programs* performance audit completed by staff members from The Office of the State Auditor. Central Missouri appreciates the time and effort that your staff has given to this important assessment. Our university has taken the policy audit seriously, and we are intent on following the recommendations brought forward in the report. Our responses to the specific recommendations are attached.

The policy audit by your office was timely, as we had internally identified problems within our procurement card program shortly before your office's announcement of the audit. Your staff provided a valuable service to our university. The need for an internal auditor for our campus has been brought forward from our strategic planning retreats, and we are currently in the process of hiring for that position. We expect this person to greatly enhance our capacity to review policy performance issues as well as financial audit functions. One role of the internal auditor will be to make recommendations to strengthen the integrity of the institution, safeguard assets, standardize procedures, and ensure compliance with university, state and federal regulations.

State Auditor McCaskill, Central Missouri State University takes its fiscal responsibilities seriously, and is a good steward of state taxpayers' money. We remain committed to the citizens of Missouri, and will continue to utilize our resources to pay even greater dividends for our state's future. Please don't hesitate to contact me if you have any questions regarding the information that I have provided.

Sincerely,

Bobby R. Patton, Ph.D.  
President